

ARIZONA DEPARTMENT OF ADMINISTRATION - SUMMARY**A.R.S. § 41-701**

Elliott Hibbs, Director

JLBC Analysts: Lynne Smith/Pat Mah

General Fund and Other Appropriated Funds	FY 1998 Actual	FY 1999 Estimate	FY 2000 Approved	FY 2001 Approved
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Program Summary

Central Operations	19,971,000	20,807,400	20,292,800	20,646,400
General Services	20,533,800	26,651,200	29,855,200	32,935,400
Information Services	23,612,000	24,433,900	26,457,000	29,677,800
Risk Management	55,331,700	83,451,500	73,460,700	75,205,300
Human Resources	6,738,700	11,127,600	11,545,400	11,414,100

Total Appropriations	126,187,200	166,471,600	161,611,100	169,879,000
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Expenditure Detail

FTE Positions	981.0	924.0	963.0 ^{1/}	963.0 ^{1/}
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Personal Services	22,367,100	25,920,000	26,883,800	27,421,500
Employee Related Expenditures	5,029,400	5,808,000	5,865,200	6,132,700
Professional and Outside Services	873,700	1,167,700	1,718,000	2,221,200
Travel - In State	217,800	193,600	196,600	196,600
Travel - Out of State	66,400	71,300	81,300	81,300
Other Operating Expenditures	11,606,100	12,672,400	15,048,000	15,497,400
Equipment	2,674,300	250,500	242,800	254,400

Operating Subtotal	42,834,800	46,083,500	50,035,700	51,805,100
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Special Line Items	83,352,400	120,003,100	111,575,400	118,073,900
Additional Appropriations	0	385,000	0	0

Total Appropriations	126,187,200	166,471,600	161,611,100^{2/}	169,879,000^{2/}
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Fund Summary

General Fund	25,685,400	27,003,500	26,081,900	26,965,900
Air Quality Fund	323,300	455,000	464,100	475,400
Capital Outlay Stabilization Fund	7,384,100	7,910,600	8,877,300	8,512,500
Corrections Fund	535,600	558,800	530,400	541,000
Lease-Purchase Building Operating and Maintenance Fund	0	1,371,200	1,327,900	1,338,200
Motor Vehicle Pool Revolving Fund	6,576,400	10,154,800	10,307,000	12,859,900
State and Federal Surplus Property Funds	0	0	2,559,400	2,888,900
Technology and Telecommunications Fund	23,612,000	24,433,900	26,457,000	29,677,800
Risk Management Fund	38,648,700	62,396,300	73,460,700	75,205,300
Workers' Compensation Fund	16,683,000	21,055,200	0	0
Personnel Division Fund	6,738,700	8,531,100	8,707,200	8,534,900
Special Employee Health Insurance Trust Fund	0	2,496,500	2,838,200	2,879,200
State Lottery Fund	0	4,700	0	0
Retiree Accumulated Sick Leave Fund	0	100,000	0	0

Total Appropriations	126,187,200	166,471,600	161,611,100	169,879,000
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Agency Description — *The department provides centralized general support services to state agencies, including accounting, financial, personnel, building and grounds maintenance, purchasing, risk management, information technology, and Capitol Police services.*

^{1/} Includes 148.5 FTE Positions funded from Special Line Items in FY 2000 and FY 2001.

^{2/} General Appropriation Act appropriation format varies by program.

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Capital Outlay Appropriations: Chapter 2, 1st Special Session — Appropriates \$323,000 from the General Fund and \$25,961,800 from Other Funds in FY 2000, \$182,900 from the General Fund and \$25,457,400 from Other Funds in FY 2001, \$88,930,800 from Other Funds in FY 2002, and \$30,069,700 from Other Funds in FY 2003 to the Arizona Department of Administration (ADOA) for the following projects:

- Building Renewal — Appropriates \$182,900 from the General Fund and \$3,500,000 from the Capital Outlay Stabilization Fund (COSF) in FY 2001 to ADOA to fund 23.3% of the building renewal formula. Allows up to 2 FTE Positions to manage the projects. (*See Chapter 5, 1st Special Session below for information on FY 2000 Building Renewal*)
- Executive Tower Renovations — Appropriates \$500,000 from COSF in FY 2000 for renovations to the first floor of the Executive Tower. Allows up to 1 FTE Position to manage the project.
- Sexually Violent Persons (SVP) Facility — Appropriates \$323,000 from the General Fund, \$400,600 from the Certificates of Participation Fund and \$3,080,400 from COSF in FY 2000 for a new 60-bed unit at the Arizona State Hospital campus for the SVP program. Allows up to 2 FTE Positions to manage the project.
- New Prison Complex — Appropriates \$21,980,800 in FY 2000, \$21,957,400 in FY 2001, \$88,930,800 in FY 2002, and \$30,069,700 in FY 2003 from the Corrections Fund for the design and construction of a new 4,200 bed prison complex. Allows up to 16 FTE Positions to manage the project. (*See Chapter 292 in the Additional Legislation section for siting information*)

Tax Relief and Fiscal Control (Chapter 5, 1st Special Session) — Appropriates \$3,403,400 from the General Fund in FY 2000 to ADOA to fund 23.3% of the building renewal formula. This appropriation, however, is contingent on the amount of General Fund revenues available in FY 2000. Prior to September 1, 1999, the Joint Legislative Budget Committee and the Governor's Office of Strategic Planning and Budgeting will calculate total revenues and determine if sufficient monies are available to trigger the appropriation. Allows up to 2 FTE Positions to manage the projects.

Supplemental Appropriations; Transfers; State Agencies (Chapter 6, 1st Special Session) — Allows the allocation of up to \$275,000 and 5 FTE Positions from the FY 1999 Building Renewal appropriations for management of the building renewal projects.

Additional Legislation: Arizona Department of Administration Omnibus (Chapter 300) — The bill has numerous provisions that affect the department, including the following which have a fiscal impact:

- authorizes ADOA to reimburse state employees for the cost of telecommuting connectivity;
- makes changes to the Retiree Accumulated Sick Leave Program, including eliminating the health insurance benefit option;
- authorizes cities, towns and counties to participate in the ADOA health insurance plans;
- extends the authority for school districts and charter schools to participate in the ADOA health insurance plans until July 31, 2004;
- authorizes ADOA to include long-term care coverage in the employee benefit plan, effective July 1, 2000;
- changes the state employee payroll deduction requirements and allows ADOA to charge associations for changes to the payroll system required because of changes in employee association dues;
- includes automobile or homeowner insurance premiums as an optional payroll deduction for state employees, effective July 1, 2000;
- allows state agencies and departments to accept donations to conduct employee recognition programs;
- authorizes the state to charge up to \$25 for dishonored checks;
- allows the ADOA Director, upon the recommendation of the Joint Committee on Capital Review, to authorize a whole or partial exemption from rent payments if a state agency lacks the financial resources to pay;
- changes authority from ADOA to the director of a budget unit for decisions to credit certain reimbursements to agency funds rather than depositing them with the State Treasurer (requires the director to notify JLBC, OSPB and the State Comptroller);
- establishes a procedure for the State Comptroller to remove uncollectible debts from the state accounting system, after receiving annual notice from the Attorney General and review by the JLBC;
- establishes a non-appropriated State Traffic and Parking Control Fund, consisting of parking fees and fines, and adds maintenance of state parking lots and structures to the department's duties;
- extends the repeal date of the Agency Retention of Appropriated Monies program until June 30, 2004; and
- sites the Southern Regional Prison Complex at Tucson and directs the ADOA Director, in cooperation with the Department of Corrections, to establish the site as a 4,200 bed prison facility.

Public Finances ORB (Chapter 3, 1st Special Session) — The bill clarifies the Joint Committee on Capital Review

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(JCCR) authority to recommend state rent payment exemptions for agencies lacking the financial resources to pay.

The bill also changes the following, so that they are done in even-numbered years to conform with biennial budgeting: Lease Cost Review Board report submittals, JCCR determination of rental rates, and agency building system capital request submittals.

Prior Year Reversions: State Health Laboratory — Laws 1999, Chapter 6, 1st Special Session reverted \$968,500 of the remaining unused General Fund appropriation for land acquisition and design costs for a new state health laboratory. Monies were reverted given that funding for construction has not been appropriated.

Capitol Mall Office Building — Laws 1999, Chapter 6, 1st Special Session reverted \$532,700 of the remaining unused General Fund appropriation for the design of a new office building on the capitol mall. Monies were reverted given that funding for construction has not been appropriated.

Other Issues: State Boards' Office — The State Boards' Office provides centralized services to the state's smallest regulatory boards. Monies for the office come from the participating agencies and flow through the Arizona Department of Administration Special Services Revolving Fund. The office's expenditures are subject to appropriation, starting in FY 2000. The appropriation is shown in a separate State Boards' Office section of this report.